States/UTs	Levies	Applicable Rate
	Export Fee	Rs. 3000/- per kl
	State Excise	Rs. 1000/-per kl
	Admin. Fee	
	Licence Fee	Rs. 25000/- per annum per location.

Permission to Reliance for rate of gas

822. SHRI SANJAY RAUT: Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether it is a fact that Reliance Industries are seeking the permission to sell 28 million cubic meters of gas from its Krishna-Godavari field to Reliance Natural Resources Limited at a delivered price of $3.18 mBtu as against current international market rates of $9-10 mBtu; and

(b) if so, what is Government's response thereto and what formula is considering to be adopted by Government in this regard?

THE MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND NATURAL GAS (SHRI DINSHA J. PATEL): (a) and (b) The Government has not agreed to the proposal of Reliance Industries Ltd., (RIL) to approve the gas price formula for sale of natural gas from the KGDWN-98/3 block to RNRL (Reliance Natural Resources Ltd.), as the same was not in accordance with the provisions of Production Sharing Contract (PSC) signed between the Government and the consortium of RIL — Niko Resources Ltd., Under the PSC, gas for the purpose of the contract should be valued on the basis of competitive arms — length — sales in the region for similar sales under similar conditions.

Extension of natural gas supplies

823. SHRI KARNENDU BHATTACHARJEE: Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether Government have any plan to extend natural gas supplies to different towns. State capitals and Union Territories through pipeline networks; and

(b) if so, the details thereof and the role assigned or contemplated

thereunder to private sector, and the steps taken and being taken in this regard?

THE MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND NATURAL GAS (SHRIDINSHAJ. PATEL): (a) and (b) Gas pipelines in the country have been laid and are being laid by the companies on commercial consideration. The gas pipelines network is proposed to be laid in a competitive environment with participation from both the public and private sectors. The development of network would *inter-alia* depend upon the availability of gas and necessary tie-ups for sourcing and marketing. At present, apart from GAIL (India) Limited (GAIL), other entities like Gujarat State Petronet Limited (GSPL) and Assam Gas Company Limited (AGCL) are also engaged in transmission of natural gas. Besides, a number of entities are engaged in the business of local gas distribution.

Exploration of oil in Sri Lanka

824. SHRIMATI S.G. INDIRA: Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether it is a fact that the Sri Lankan Government had invited India to explore for oil in that country;

(b) if so, the details thereof;

(c) whether Government have accepted the proposal of the Sri Lankan Government; and

(d) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND NATURAL GAS (SHRI DINSHAJ. PATEL): (a) to (d) As a follow up to a shared desire between India and Sri Lanka to collaborate in E&P activities in Sri Lanka, and as a sequel to the visit of the then Minister of Petroleum and Natural Gas of India to Colombo in May, 2003, a high level delegation from ONGC visited Sri Lanka in December, 2003 for discussions. It was considered that in view of the work already carried out by ONGC in the Cauvery basin, where significant reserves have been established, further exploration in the same area on the Sri Lankan side could be productive on account of geological similarity. It was,